THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH: (a) and (b) Yes, Sir. The EU has published Commission Regulation (EC) No. 149/2008 of 29th January, 2008 amending Regulation (EC) No. 396/2005 of the European Parliament and of the Council by establishing Annexes II, III and IV setting maximum residue levels for products of plant and animal origins. Details of the Regulations and pesticides proposed to be regulated are available at the European Commission's website *www.ec.europa.eu*.

(c) Due to amendment in EU's directives, India's export to the EU could be adversely affected, until such time, the following are put in place:

— Good Agricultural Practices

— Residue monitoring plans

— Strengthening of laboratories

— Good Manufacturing Practices, HACCP etc. in the processing units

Setting up of industries in Arunachal Pradesh by Chinese companies

†3124. SHRI SHREE GOPAL VYAS:

SHRI BALAVANT *ALIAS* BALAPTE:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Chinese companies are being allowed to set up industries in Arunachal Pradesh;

(b) if so, whether Ministry of Defence has been consulted; and

(c) the role of Ministry of External Affairs in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) Policy on Foreign Direct Investment (FDI) is incorporated in the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, notified under the Foreign Exchange Management Act (FEMA), 1999. These regulations indicate the countries from where investment is not permitted. There is no restriction on investment from China. However, investments have to comply with all sectoral laws and regulations.

As per data base maintained by Department of Industrial Policy and Promotion (.DIPP), no investment has been made by Chinese companies in Arunachal Pradesh during August, 1991 to January, 2008. No proposal for such investment is pending in DIPP.

(b) and (c) Proposals requiring prior Government approval are considered by the Foreign Investment Promotion Board (FIPB), an inter-Ministerial body, which takes into account all factors, including security related issues. All concerns of National security sensitivity are being constantly addressed to suitably.

†Original notice of the question was received in Hindi.